

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

CARDWORKS PROCESSING, LLC,

Plaintiff,

v.

PINNACLE PROCESSING GROUP,  
INC.,

Defendant.

CASE NO. C12-557 MJP

ORDER TO SHOW CAUSE WHY  
CASE SHOULD NOT BE  
DISMISSED FOR LACK OF  
SUBJECT MATTER JURISDICTION

The Court issues this order *sua sponte*. The Court has reviewed Plaintiff's complaint, which seeks damages for breach of contract. Plaintiff's complaint states that Plaintiff is a limited liability corporation organized under the laws of the State of Delaware. Dkt. No. 1, ¶ 5. Having reviewed the Complaint, the Court finds and ORDERS as follows:

- (1) Plaintiff alleges federal jurisdiction solely on the basis of diversity of citizenship pursuant to 28 U.S.C. § 1332(a). Plaintiff alleges that it is a limited liability corporation organized under the laws of the State of Delaware. Plaintiff offers no

1 allegations regarding the citizenship of the members of its limited liability  
2 corporation.

3 (2) The allegations in Plaintiff's complaint are insufficient to establish the existence of  
4 diversity jurisdiction. Although Plaintiff alleges that it is a limited liability  
5 corporation organized under the laws of the State of Delaware, the Ninth Circuit has  
6 held that "like a partnership, an LLC is a citizen of every state of which its  
7 owners/members are citizens." Johnson v. Columbia Props. Anchorage, LP, 437 F.3d  
8 894, 899 (9th Cir. 2006). Because Plaintiff's complaint fails to identify the  
9 citizenship of each member of CardWorks Processing, LLC, the complaint fails to  
10 provide sufficient allegations to establish diversity jurisdiction. *See, e.g., Ace*  
11 *Ventures, LLC v. LQK, LLC*, 2006 WL 2882481 (D.Ariz. Oct. 4, 2006) (dismissing  
12 complaint for failure to allege the citizenship of each member of LLC); *see generally*  
13 *Nugget Hydroelectric, L.P. v. Pacific Gas & Elec. Co.*, 981 F.2d 429, 438 (9th Cir.  
14 1992) (noting that a plaintiff asserting diversity jurisdiction is "required to specify  
15 affirmatively the citizenship of all relevant parties").

16 (3) "[I]t is the duty of any court to ensure itself of its own subject matter jurisdiction."  
17 Ridings v. Lane County, Oregon, 862 F.2d 231, 233 (9th Cir. 1988). Because  
18 Plaintiff's complaint fails on its face to provide sufficient allegations to establish  
19 diversity jurisdiction, Plaintiff is ORDERED to show cause why the Court should not  
20 dismiss this case without prejudice for lack of subject matter jurisdiction. Plaintiff's  
21 response to this order is due no later than **August 30, 2012** and shall be limited to **six**  
22 **pages**. Plaintiff may also respond to this order by filing an amended complaint that  
23 specifically alleges the citizenship of each member of CardWorks Processing, LLC.  
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1 If Plaintiff fails to respond to this order to show cause within the time prescribed, the  
2 Court will dismiss this action without prejudice.

3 (4) The Court is aware that there is currently a motion to compel arbitration pending.

4 The Court will STAY further action on that motion until clarification of the issue of  
5 subject matter jurisdiction is resolved.

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7 The clerk is ordered to provide copies of this order to all counsel.

8 Dated this 22nd day of August, 2012.

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12 Marsha J. Pechman  
13 United States District Judge  
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